

MINUTES OF THE
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE
THURSDAY, FEBRUARY 4, 2010, 2:00 P.M.
Room W020, House Building, State Capitol Complex

Members Present: Sen. John Valentine, Co-Chair
 Rep. Melvin R. Brown, Co-Chair
 Sen. J. Stuart Adams
 Sen. Ross I. Romero
 Sen. Steven H. Urquhart
 Rep. Trisha S. Beck
 Rep. Bradley M. Daw
 Rep. Kay L. McIff
 Rep. Carol Spackman Moss
 Rep. Evan J. Vickers
 Rep. C. Brent Wallis
 Rep. R. Curt Webb
 Rep. Mark A. Wheatley

Members Absent: Rep. Johnny Anderson

Staff Present: Spencer Pratt, Fiscal Manager
 Lorna Wells, Secretary

Public Speakers Present: Rep. Brad L. Dee
 Samuel L Jenkins, Realtor

A list of visitors and a copy of handouts are filed with the committee minutes.

1. Call to order - Committee Co-Chair Valentine called the meeting to order at 2:24 p.m.
2. Higher Education Issue Briefs:
 - a. USHE Historical Funding - Spencer Pratt discussed the USHE Historical Funding Issue Brief. In 1985, State tax funds provided an average of 77.4% of Education and General costs, with dedicated credits (tuition) picking up the balance. In FY 2009, the State support was 57.5 %. Mr. Pratt explained the state funding for each USHE institution and also indicated that this is reflective of national trends
 - b. USHE Mission, Enrollment, & Funding - Mr. Pratt reported that funding of institutions of higher education is determined in large part by two factors: the institution's mission and the number of students attending. Both of these factors can change over time resulting in changes in the funding levels. This Issue Brief provides information regarding the enrollments, changes and the impacts these changes have on the funding levels of the institutions. Mr. Pratt discussed the mission changes at UVU and DSC and how the appropriations funding has changed. Mr. Pratt also discussed the funding per FTE at each institution. The State Board of Regents projects an enrollment increase of 27.6 percent from FY 2010 to 2021.

Rep. Wheatley asked for clarification on the category labeled "Other". Mr. Pratt explained that most of this amount is balances carried forward. Mr. Wheatley asked for more demographical information on enrollments. Mr. Pratt will provide this information at the next meeting.

Rep. Wallis addressed the fact that on Page 53 of the brief the amount of increases on the Appropriated Direct Instructional Expenditures per FTE for the past decade have been very minimal. Mr. Pratt responded that this is correct.

- c. UCAT O & M - In the FY 2006 session, the Uintah Basin ATC was approved and in the FY 2009 Mountainland ATC and the Ogden/Weber ATC were approved. The completion dates have changed of these facilities have changed somewhat. The Analyst recommends replacing \$19,400 in FY 2010 O & M funding and one-time funding reductions for FY 2011 O & M at two UCAT campuses, totaling \$707,900 (revised numbers).
- d. UCAT Lean Manufacturing Request Rep. Dee explained the proposal to share lease costs of the Lean Manufacturing Training Center which involves a cooperative agreement between Boyer Co, Williams International, the Ogden Weber ATC, and the State.

Rep. Brown asked for clarification about the amount of state funding. Sen. Valentine mentioned that this Committee has no one-time sources, therefore, in order to provide these funds, funding would have to be taken from something else, which would be very difficult for this committee. Rep. Dee stated that if the Committee could at least voice support for this proposal, he will take the proposal to the Executive Appropriations Committee and to the full Legislature. Rep. Wallis asked if this one-time funding would mean that the state would be totally removed from the lease. Rep. Dee reported that this one-time funding would remove the state from the lease.

3. Other Business.

- a. Sen. Valentine read a letter from the Capital Facilities and Government Operations Appropriations Subcommittee (ACFG) reminding committees that there will be no state support for O & M for new buildings. If new buildings are approved, a detailed record of how the O & M will be funded must be provided to the ACFG Committee.
- b. Sen. Valentine discussed the agendas for next week's meetings. Committee members should come prepared with motions and recommendations on Wednesday, February 10.
- c. Mr. Jenkins made a request for a change in property tax law which requires property tax on all homeowners whether or not they have individuals in schools. Sen. Adams asked Mr. Jenkins what he would propose to fund education in lieu of property tax. Mr. Jenkins suggested a tax on renters. Rep. Moss mentioned that the bulk of funding for Public Education is from income tax. Property tax is used to fund local schools.

MOTION: Rep. Wallis moved to adjourn.

The motion passed unanimously.

Committee Co-Chair Valentine adjourned the meeting at 3:10 p.m.

Minutes were reported by Lorna Wells, Secretary.

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